sugar has been decanalised to allow sugar factories, firms and individuals alike, to export sugar.

(c) As on 7.4.97, about 118.26 lakh tonnes stock of sugar was available in the country.

On 14.1.97, the eve of the decanalisation, the Retail Issue Price of Levy Sugar distributed through the Public Distribution System was Rs. 9.05 per kg. and the retail price of free sale sugar in the principal markets was in the range of Rs. 13.30 to Rs.16.00 per kg.

(d) The production of sugar in the current season is expected to be around 140 lakh tonnes. Since actual exports would depend on a host of factors including the international market prices, it will not be possible to indicate the exact quantum of exports at present.

**Enormous Escalation in Normative cost of sugar factories in Maharashtra**

4503. SHRIMATI VEENA VERMA: Will the Minister of FOOD be pleased to state:

(a) whether due to delay in trying up financial arrangements for the 27 new cooperative factories sanctioned for being set up in Maharashtra under the seventh Five Year Plan and another 18 more new Cooperative Sugar Factories under the Eighth Five Year Plan, the normative cost of these factories has undergone enormous escalation; and

(b) if so, whether government of Maharashtra have requested for acceptance of the revised normative cost of these cooperative sugar factories and if so, the proposed revised cost thereof and the Government's decision thereon?

THE MINISTER OF AGRICULTURE AND MINISTER OF FOOD AND MINISTER OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI CHATURANAN MISHRA): (a) and (b) The Government of Maharashtra vide their letter dated 4.12.1997, have stated that the cost of a new sugar factory would be around Rs. 45 crores. They have added that IFCI have also recently revised their appraisal around Rs. 42-43 crores.

The Goverment have not prescribed any normative cost for sugar factories though the financial institutions while assessing the projects have been going by a certain standard taking into account the financial pattern and the prospect of return on capital. The financial institutions are generally concerned with the debt-equity ratio and the financial viability of the project. Since the State Governments contribute a large part of equity of the Cooperatives and also have to guarantee the loans, the question of availability of total finance for a particular unit has to be resolved between them, the cooperative and the financial institutions.

**Stock Position of Wheat**

4504. SHRI SUSHILKUMAR SAMBHAJIRAO SHINDE:
SHRIMATI VEENA VERMA:

Will the Minister of FOOD be pleased to state:

(a) whether quantum of wheat in the national stock in March end this year was much lower than the normal stock in this part of the year;

(b) if so, the comparative stock position of wheat in March end during 1996, 1995, 1994 and 1993;

(c) the reasons for such stock position this year; and

(d) the steps taken to intensify procurement effort and to fix an attractive minimum support price and procurement price of wheat and the results thereof?

THE MINISTER OF AGRICULTURE AND MINISTER OF FOOD AND MINISTER OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI

CHATURANAN MISHRA): (a) yes, Sir.

(b) The minimum level of stock of wheat required to be maintained as per the prescribed buffer norm, stock maintained in the Central Pool as on March end during 1993 to 1996 is given below:—

(In lakh Tonnes)

| As on | Buffer norm | Stock in the Central Pool | | | |
|---|---|---|---|---|---|
| | | 1996 | 1995 | 1994 | 1993 |
| 1st April | 37.0 | 77.6 | 87.2 | 70.0 | 27.4 |

(c) The reasons for depletion of stocks of wheat can be attributed mainly to fall in production of wheat during 1995-96 crop year, lower procurement during 1996-97 and current marketing season 1997-98 so far coupled with higher offtake.

(d) In order to maximise the procurement in the Rabi Marketing Season 1997-98, the Governemnt have decided to give a bonus of Rs. 60/- per quintal in addition to the Minimum Support Price of Rs. 415/- per quintal for wheat sold to Government procurement agencies upto 10.6.97, which means an increase of 25% in the procurement price over the price paid in the previous season. Control Rooms have been set up both at the State level as well as in the Ministry to make sure that no distress sale of wheat by farmers below the price fixed by the Government takes place. The procurement is progressing smoothly and a quantity of 47.88 lakh tonnes of wheat has been procured as on 13.5.1997.

**Depleting buffer stock of wheat with Government**

4505. SHRIMATI RENUKA CHOWDHURY: Will the Minister of FOOD be pleased to state:

(a) whether buffer stock of wheat with Government has sharply depleted;

(b) if so, the buffer stock level of wheat Government considered necessary to maintain and the level of present stock; and

(c) the reasons for depletion and the steps being taken to replenish the stock?

THE MINISTER OF AGRICULTURE AND MINISTER OF FOOD AND MINISTER OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI CHATURANAN MISHRA): (a) Yes, Sir.

(b) The minimum level of stock of wheat required to be maintained as per the prescribed buffer norm and stock maintained in the Central Pool as on various dates during 1996 and 1997, are given below:—

(In lakh tonnes)

| As on | Buffer norm | Stock in the Central Pool | |
|---|---|---|---|
| | | 1997 | 1996 |
| 1st January | 77.00 | 70.82 | 131.47 |
| 1st April | 37.00 | 32.40 | 77.62 |
| 1st July | 131.00 | — | 141.31 |
| 1st October | 106.00 | — | 105.42 |

(c) The reasons for depletion of stocks of wheat can be attributed mainly to fall in production of wheat during 1995-96 crop year, lower procurement during 1996-97 and in the current marketing season 1997-98, coupled with higher offtake.